# GOVERNMENT OF INDIA
# STEEL
# LOK SABHA

UNSTARRED QUESTION NO:1810
ANSWERED ON:29.11.2007
IMPORT OF STEEL SCRAP
Pathak Shri Brajesh

**Will the Minister of STEEL be pleased to state:**

(a) whether the Government has considered making import of steel scrap cheaper in order to control the rising prices of steel in the country;

(b) if so, the total cost of steel scrap imported in the country each year;

(c) the total percentage of duties levied on such import;

(d) whether the Government proposes to withdraw the import duty altogether; and

(e) if so, the details thereof?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF STEEL (DR.AKHILESH DAS)

(a) Steel sector in the country is deregulated and import price of steel including that of the steel scrap is primarily dependant upon domestic and international market conditions. The Government, therefore, does not determine import price of steel scrap. The import price of metal scrap depends upon its global demand and the consequential price in the international market.

(b) Data on import of melting scrap, both in terms of value and quantity for the last five years and April-October 2007-08 is given in the table below.

| Year | Import of scrap | |
|---|---|---|
| | Qty (`000 tonnes) | Value (Rs Crores) |
| 2002-03 | 1280 | 967 |
| 2003-04 | 1497 | 1471 |
| 2004-05 | 2042 | 3052 |
| 2005-06 | 3336 | 4437 |
| 2006-07 | 2185 | 4406 |
| 2007-08 (Prov.) April-Oct. | 1300 | 3463 |

Source: JPC

(c) Steel scrap attracts 5% basic customs duty, alongwith 16% countervailing duty, 4% additional duty of customs and 3% cess (2% Education cess and 1% Secondary & Higher Education cess).

(d)&(e): At present, Government is not considering any proposal to withdraw import duty on steel scrap.